



# AFCESA A-GRAM



AIR FORCE CIVIL ENGINEER SUPPORT AGENCY

99-43

AUGUST 1999

## PLAN TO MEET FY2005 ENERGY GOALS FOR FACILITY ENERGY

### SYNOPSIS:

This A-Gram supersedes A-Gram 99-22 dated May 1999. The Energy Policy Act of 1992 and Executive Order 13123 directed federal agencies to reduce energy consumption (on an MBTU/SF basis) 20 percent by FY00, 30 percent by FY05 and 35 percent by FY10, using FY85 as a baseline. These directives also require all buildings be surveyed and all energy projects with a 10-year or less payback be programmed. At the end of FY98, the Air Force stood at a 19.2 percent reduction versus a target of 19.5 percent (straight line 1.5 percent per year FY85-05) or 16 percent (step 10 percent per year FY85-95 and 2 percent per year FY95-05). Building surveys continue and have identified more projects than dollars available to fund them. The AFCESA energy staff has calculated the Air Force needs to reduce its consumption by an additional \$14.4 million MBTU to meet the FY10 goal based on FY98 data. An investment of over \$575 million is needed to accomplish this reduction.

### FUNDING SOURCES:

The Air Force has been using three sources of funding to do retrofit projects to meet the goal. (1) The Energy Conservation Investment Program is a Military Construction Program, centrally managed by DOD, which provides the Air Force approximately \$10 million per year. (2) Utility Company Demand Side Management Programs use the local public utility company to fund and accomplish energy projects. This opportunity is not open to all bases. (3)

Energy Savings Performance Contracts (ESPCs) use private companies to fund and accomplish energy retrofits. These are available at all installations within the 50 states. The AFCESA energy staff is helping to develop regional ESPCs for Japan, Korea and USAFE. The ESPC program offers the best potential to provide the funding required to attain the FY10 goal.

### ESPC BENEFITS:

The contractor provides funds for energy audits (identifies opportunities), construction/implementation, and operations

### APPROACH:

The AFCESA energy staff has helped make ESPCs available to all installations in the US. In each region shown on the map, a Regional Contracting Office (RCO) has awarded an Indefinite Quantity contract for ESPC services that is available to all bases in that region. The AFCESA energy staff supports the RCOs in administering contracts and assumes as much of the overhead work associated with administering the regional ESPC as possible. Each base can request ordering authority through AFCESA.

We estimate that \$96 million needs to be invested by region by FY08 to have projects on line to meet the FY10 energy reduction goal. This is a significant investment level, and the ESPC is the only source of this level of funding.

The AFCESA energy staff regularly conducts a one-day ESPC training session via satellite through AFIT and has personnel available to assist with proposal evaluations, issuance of task orders, and general contract management activities.

### AIR FORCE ESPC REGIONS



and maintenance. Payment is based on guaranteed savings to the Air Force. Equipment retrofits and infrastructure improvements are obtained, but can cost no more than the utility bill and O&M related expenses without the ESPC. Limited base manpower is required for oversight and savings verification. The contractor does the work and, if guaranteed savings do not materialize, the contractor pays the Air Force.

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